



STATE PROCUREMENT OFFICE
NOTICE & REQUEST FOR SOLE SOURCE NOV -4 A8:43

STATE PROCUREMENT OFFICE
STATE OF HAWAII

TO: Chief Procurement Officer

FROM: Department of Human Services - Fiscal Management Office
Name of Requesting Department

Pursuant to HRS §103D-306, and Subchapter 9, HAR Chapter 3-122, the Department requests sole source approval to purchase the following:

1. Describe the goods, services, or construction to be procured.

Pre-sort mail services for pre-addressed letters, checks, flats, etc.

2. Vendor/Contractor Name: Cardinal Presort Services, Ltd.

3. Amount of Request:

\$ 60,000 estimated

4. Term of contract (shall not exceed 12 months), if applicable:

5. Prior Sole Source Ref No.:

From: 6/30/2012 To: 6/30/2013

6. Features: Describe in detail the unique features, characteristics, or capabilities of the goods, services or construction.
See attached

7. Essential features: Describe in detail how the unique features, characteristics, or capabilities of the goods, services, or construction are essential for the department to accomplish its work.

Cardinal Presort Services, Ltd. Is the only company that has a Multi-Line Optical Character Reader that can pre-sort pre-addressed mail. Additionally, because of their multi-line optical character reader, they are the only company that can provide manifest mailing services. Manifest mailing is a service that can co-mingle various clients first class mail, pre-sort the mail that will result in greater additional postage savings. Additionally, Cardinal is the only company that can pre-sort flats and also include them in the manifest mailing to provide for greater postage discounts to its customers. Cardinal is also the only company that can provide bursting services.

8. Describe the efforts and results in determining that this is the only vendor/contractor who can provide the goods, services or construction.

The "yellow pages" under mail services was used. Also printing companies that provided mail services were contacted. These companies included Hagadone, Edwards Enterprises, Inc., and Mail Hawaii - Midweek printing, Inc. These companies do not provide bursting services and do not have a multi-line optical character reader that would allow for pre-sort of pre-addressed envelopes or manifest mailing. The department has gone out to bid over the past 20+ years for pre-sort mailing services. The results were always only one bid from Hawaii Pre-sort Mail Services, now known as Cardinal Presort Services. Because of their capabilities to pre-sort pre-addressed mail and flats and manifest mailing services, their clients include the Department of Accounting and General Services, banks, credit unions, airlines, schools, etc.

9. Alternate source. Describe the other possible sources for the goods, services, or construction that were investigated but did not meet the department's needs.

Please see 8 above. Additionally, the USPS was consulted.

10. Identify the primary individual(s) who is knowledgeable about this request, who will conduct and manage this process, and has 1) appropriate written delegated procurement authority; and 2) completed mandatory training.


(Type over "example" and delete cells not used.)

Name of Department Personnel	Division/Agency	Phone Number	e-mail address
Susy S. Kawamoto	Fiscal Management Office	586-4864	skawamoto@dhs.hawaii.gov

Department shall ensure adherence to applicable administrative and statutory requirements, including HAR Chapter 3-122, Subchapter 15, Cost or Price Data if required.

All requirements/approvals and internal controls for this expenditure is the responsibility of the department.

I certify that the information provided is to the best of my knowledge, true and correct.



Department Head Signature

11/3/11

Date

For Chief Procurement Officer Use Only

11. Date Notice Posted:

11/4/2011

Submit written objection to this notice to issue a sole source contract within seven calendar days or as otherwise allowed from date notice posted to:

Chief Procurement Officer
State of Hawaii
P.O. Box 119
Honolulu, HI 96810-0119

12. Chief Procurement Officer (CPO) Comments:

Request has been withdrawn by the department.

☐ Approved

☐ Disapproved

☒ No Action Required

Charles. J. [Signature]
Chief Procurement Officer Signature

11/10/2011
Date

Notice and Request for Sole Source
Attachment

6. Features: Describe in detail the unique features, characteristics, or capabilities of the goods, services, or construction.

Cardinal Presort Services, Ltd. Is Hawaii's largest and most experienced direct mail and pre-sort bureau in Hawaii which is locally owned and operated since 1947.

Cardinal Presort Services, Ltd is the only company in the State of Hawaii that has a Multi-Line Optical Character Reader that can pre-sort pre-addressed letters and flats that result in postage savings for their customers. Additionally, because of the multi-line optical character reader, Cardinal is able to provide "manifest mailing" services, which is a co-mingling of customers mail and pre-sort it for greater postage savings to its customers. This includes the sorting of "flats" that other companies cannot provide which results in additional postage savings to its customers. They are also the only company that can provide bursting services.

Cardinal provides pick-up services and will also deliver it to the airport post office, getting it out within a 24-hour turn-around time.

The department processes over 160,000 pieces monthly for pre-sort services and sometimes as much as 75,000 pieces daily due to special mailings of notices with crucial turn-around times to meet deadlines and federal mandates.

Cardinal provides sorts and sends out mail for clients that include the Department of Accounting and General Services, local banks, credit unions, universities, schools, airlines, brokerage firms, insurance companies, hospitals, and the federal and state government agencies. By being able to co-mingle its customers mail and sorting them, it provides the greatest postage discounts to its customers.